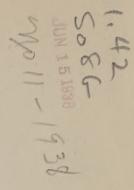
UNITED STATES DEPARTMENT OF AGRICULTURE AGRICULTURAL ADJUSTMENT ADMINISTRATION Washington, D. C.



BRAR BUREAU OF AGRICULTURAL ECONOMICS

April 8, 1938

To Administrative Officers Southern Region.

The following question and answer in connection with the 1938 Agricultural Conservation Program is submitted for your information:

Question: What materials may be considered as equivalent to 100 pounds of ground limestone for the purpose of carrying out soilbuilding practice No. 8 as set forth in Section XIV of Southern Region Bulletin 201.

Answer: For the purposes of soil-building practice No. 8 the following materials shall be considered respectively to be equivalent to 100 pounds of ground limestone:

- A. 50 pounds of burned limestone
- B. 70 pounds of hydrated lime
- C. 100 pounds of ground oyster shells
- D. 150 pounds of limestone screenings

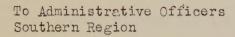
Very truly yours,

I. W. Duggan,

Director, Southern Division.

UNITED STATES DEPARTMENT OF AGRICULTURE AGRICULTURAL ADJUSTMENT ADMINISTRATION WASHINGTON, D. C.

April 8, 1938



Re: General Letter No. 4

This is with reference to our General Letter No. 4 of
March 22 in which Form SR-204e, entitled "County Cotton Summary
Sheet and County Cotton Analysis" was enclosed.

The amendments to the Agricultural Adjustment Act of 1938 which were recently enacted have made it necessary to revise the county cottom analysis to comply with the amended provisions of the Act. A copy of this revised form is enclosed, and should be used in lieu of the form submitted on March 22, 1938.

Very truly yours,

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I. W. Duggan, Director, Southern Division

Enclosure

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COUNTY COTTON ANALYSIS

(Revised April 1, 1938)

Computation Sheet for Adjustment Factors

		County				
		State				
Section 1. First Factor						
1.	1938 official county acreage quota	acres				
2.	Allotment used for 1-B farms (Col.6, 1-B Tab.)	acres				
3.	Allotment for 1-A farms (line 1 - line 2)	acres				
4.	Total number of 1-A farms (Items listed on 1-A Tab.)	items				
5.	Tilled acres for 1-A farms (Col. 5, 1-A Tab.)	ecres				
6.	First factor (line 3 + line 5)	(Six places)				
Section II. County Cotton Ratio						
7.	Tilled acres for 1-B farms (Col. 5, 1-B Tab.)	acres				
8.	Total tilled acres (line 5 / line 7)	acres				
9.	County cotton ratio (line 1 + line 8)	(Six places)				
Section III. Reserve						
10.	Maximum reserve for 5 to 15 acre farms					
	/Time 3 - (line 4 x 5 acres) 7 x 3%					
	∠() - (x5)] x .03	acres				
11.	Reserve recommended by county committee (not to exceed line 10)	acres				
Section IV. Test for and Determination of Second Factor 1/						
12.	Indicated second factor					
	= Line 3 - line 11 - Col. 8(b) = () - ()	<u>()</u>				
	$=\left\langle \begin{array}{c} -\end{array} \right\rangle =\frac{A}{m}=$	(Six places)				

REMARKS TO A THE REST OF THE REST OF THE REST. and the second special second Control of the second of the s

¥3.	Second factor times 105 percent (Six places)				
14.	Ratio of preliminary second factor to first factor (line 12 : line 6)				
15.	Breaking point for "5 acre" farms (5 acres + line 14)				
	If line 9 exceeds line 6 and line 13, line 9 shall be used as				
	the final second factor. [2(b)]				
	If line 6 exceeds line 9 and line 13, no second factor is needed. [2(c)]				
	If neither of the above provisions apply, proceed with the				
	second factor as determined below in section V or section VI.				
Section V.	V. Determination of final second factor when greater than first factor				
16:	Final second factor 2/				
	= A + Col. 9(a) - 8(a) T				
	= (<u>)</u> + (<u>)</u> - (<u>)</u> (Six places)				
Section VI	. Determination of final second factor when less than first factor 1				
17.	Final second factor 2/				
	= A + Col. 8(a) - 9(a) T (Six places)				
	= (<u>)</u> + (<u>)</u> - (<u>)</u> (Six places)				
Section VI	I. Allotment Data				
18.	County allotment to 1-A farms (Col. 12 or 16 of ACP-58 for 1-A farms) acros				
19.	County allotment to 1-B farms (Col. 6 of ACP-58 for 1-B farmsacres				
20.	County allotment for both 1-A and 1-B farms (line 18 + line 19) acres				
21.	Excess acreage alloted over county acreage allotment. (line 20 - line 1) acres				

22.	Additional acreage county acreage all (Col. 15 subsection	otment.	acres
23.	Amount of 4 percent reserve allotted (Line 21 / Col. 22)		
24.	Acreage required for 50 percent minimum acreage allotment /(Col. subtotals (13-12 or 17-16)/		
25.	Total acreage allo (Line 20 / line 24		_acres
Section VI	II. Certification		
		Approved by State Office:	
	1938	Statistical Assistant	-
	1938	Administrative Officer in Charge	essent of
		Recommended for Approval:	
	1938	Field Representative, Southern Division	
	1938	Approved:	
		Director, Southern Division	
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Southern Division April 1, 1938

^{1/} With the exception of line 2 all source reference to "columns" refer to the 1-A tabulation on Form ACP-58.

^{2/} Items "A" and "T" are the same as in line 11.



UNITED STATES DEPARTMENT OF AGRICULTURE AGRICULTURAL ADJUSTMENT ADMINISTRATION Washington, D. C.

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May 2, 1938

To Administrative Officers Southern Region

This is with regard to the procedure to be followed in filing appeals in connection with the Agricultural Adjustment Act of 1938.

It should be clearly understood that the appeal procedure contained in SRM-213, "Appeals", is provided by regulation pursuant to the provisions of Section XVI of Southern Region Bulletin 201 and is applicable only to the agricultural conservation program. Any action taken by the county committee in connection with an appeal must conform with the provisions of part III of the appeal procedure in SIM-213 and relief may be granted appellants only in cases of misapplication of the procedure governing the establishment of any soil-depleting acreage allotment, soil-building goal, division of payment, or any other matter affecting the right to or the amount of the payment with respect to the farm.

The provisions of SRM-213 do not apply to the determination of farm marketing quotas. Appeals in connection with farm marketing quotas are provided by law and are entirely different and separate matters which will be handled by review committees to be appointed by the Secretary pursuant to the provisions of Subtitle C, Part I, Section 363, of the Agricultural Adjustment Act of 1938. Procedure governing the appointment, nature and scope of duties of members of review committees is now being prepared in accordance with the provisions of the Act.

After the marketing quotas have been established, a producer who is dissatisfied with the marketing quota for his farm and feels that his marketing quota has not been established in accordance with the provisions of the Agricultural Adjustment Act of 1938, should obtain from the county agricultural extension agent the name of the secretary to the review committee for that area and file with him a request for a review of the marketing quota in accordance with instructions which will be available at that time.

Cotton marketing quotas will be established as soon as possible after the normal yields for the individual farms have been established. The regulations with respect to tobacco marketing quotas, which are entirely separate from acreage allotments, will also be prepared as soon as possible, after which the quotas will be established.

Very truly yours,

I. W. Duggan

Director, Southern Division

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D.C.

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To Administrative Officers

Southern Region

Re: Form ACP-57, Receipt of Treasury Check

Supplementing our 1938 General Letter No. 10 of April 7, the Treasury Department now requires that a carbon copy of the name and address which the county office types on the Form ACP-57 be retained in the county office as evidence of the exact address to which the check has been mailed.

It is our suggestion that the carbon copy of the Form ACP-57 be made on ordinary blank paper and attached to the Form ACP-41C. When and if the signed Form ACP-57 is received, the copy may be destroyed.

Very truly yours,

Director, Southern Division.

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UNITED STATES DEPARTMENT OF AGRICULTURE AGRICULTURAL ADJUSTMENT ADMINISTRATION Washington, D. C.

May 4, 1938.

To Administrative Officers Southern Region

Subsection (g), Section 18 of Southern Region Bulletin 101, as amended, is quoted as follows:



"CHANGES IN LEASING OR CROPPING ARRANGEMENT. If the Secretary, upon the basis of an investigation by the State committee, finds that any person has for 1937 made any change from the 1936 leasing or cropping arrangement for the farm or has adopted any other device for the purpose of, or which would have the effect of, diverting to such persons any payment to which tenants or share-croppers would be entitled if the 1936 leasing or cropping arrangement were in effect for 1937, the amount of any payment which otherwise would be made to such person may be withheld in whole or in part."

The primary purpose of the above subsection is to protect the interests of tenants and share-croppers from unjustifiable action on the part of a landlord or owner. It is not intended to discourage farmers from operating their farms in an economical manner nor restrict them in such a manner as to make it impracticable to meet changing conditions or to prevent them from improving their farming operations and adopting more advanced farming practices.

Subsection (f), added to Section 8 of the Soil Conservation and Domestic Allotment Act by Section 103 of the Agricultural Adjustment Act of 1938, verifies the principles laid down in the above subsection.

The causes and reasons for changes in leasing or cropping arrangements should be carefully weighed by the county committee, and if in its opinion the payment to the owner or operator should be withheld in whole or in part, because the change is not justified in the light of the foregoing, it should attach a full statement of its findings and recommendations to the application for payment and forward all of this material to the State committee. The State committee (after making such further investigation as it deems advisable) will attach its findings and recommendations to the application for payment. If the State committee agrees with the recommendations of the county committee, the application for payment will be transmitted to the State office for handling in accordance with its findings. If there is a disagreement between the State committee and county committee, and these differences cannot be reconciled, the application for payment, together with all findings and recommendations, will be forwarded to the Director of the Southern Division for appropriate action. Of course, if the owner or operator should be dissatisfied with the recommendation of the county committee, he may follow the regular appeals procedure, Section 64, Southern Region Bulletin 101.

Very truly yours,

I. W. Duggan, \(\bigc)\)
Director, Southern Division.

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UNITED STATES DEPARTMENT OF AGRICULTURE AGRICULTURAL ADJUSTMENT ADMINISTRATION Washington, D. C.

May 5, 1938.

To Administrative Officers

Southern Region

The following question and answer in connection with the 1938 Agricultural Conservation Program is submitted for your information:

Question: Will any penalty be imposed with respect to the marketing of agricultural commodities grown on farms operated by publicly owned experiment stations?

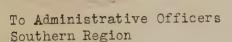
Answer: Subsection (d), section 11 of the Act, approved April 7, 1938, amending the Agricultural Adjustment Act of 1938 is as follows: "No penalty shall be collected under this Act with respect to the marketing of any agricultural commodity grown for experimental purposes only by any publicly owned agricultural experiment station." However, any agricultural commodity grown for other purposes by any such experiment station will be subject to penalty for excess production the same as if grown by any other producer.

Very truly yours,

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UNITED STATES DEPARTMENT OF AGRICULTURE AGRICULTURAL ADJUSTMENT ADMINISTRATION Washington, D. C.

May 13, 1938



Numerous inquiries have been received by this Division regarding the penalty provisions of the Agricultural Adjustment Act of 1938 as applied to the production of "long staple" cotton in 1938.

Section 350, Part IV (cotton marketing quota provisions), Subtitle B, Title III of the Act, reads as follows: "The provisions of this Part shall not apply to cotton the staple of which is 1 1/2 inches or more in length." Therefore, no marketing quotas will be established for "cotton the staple of which is $1\ 1/2$ inches or more in length", and the penalties provided in Section 348 of the Act for marketing cotton in excess of the farm's marketing quota will not apply to such long staple cotton. Since the effect of Section 350 is to define cotton as used in said Part IV as not including cotton the staple of which is $1\ 1/2$ inches or more in length, it follows that the term "cotton" as used in that Part covers only cotton shorter in staple length, and accordingly acreage planted to cotton producing a staple of 1 1/2 inches or more in length shall not be counted in determining whether cotton has been planted in excess of the farm acreage allotment. Although the provisions relative to cotton price adjustment payments appear in another part from that in which Section 350 appears, we believe that by parity of reasoning the term "cotton" as used therein should be construed in the same way. Accordingly acreage planted to cotton which has a staple of 1 1/2 inches or more in length will not be counted in determining whether a producer has remained within his cotton acreage allotment.

It is possible that many producers who have not heretofore grown cotton of this staple length or who are not located in districts where it is commonly grown might secure and plant cotton seed that is purported to, but will not, produce a staple of 1 1/2 inches or more in length, either because it was erroneously represented to the producer, or because it is not adapted to the district.

The provisions quoted above regarding penalties will apply if the cotton marketed in 1938 has a staple of less than 1 1/2 inches in length, irrespective of whether the cotton seed was erroneously represented as being a kind which would produce cotton of a staple 1 1/2 inches or more in length, or whether the cotton where it is customarily grown normally has a staple of 1 1/2 inches or more in length.

However, for the purpose of determining payment under the 1938 Agricultural Conservation Program and under the 1937 Cotton Price Adjustment Payment Plan, acreage planted to pure strains of Sea Island cotton and American-Egyptian cotton will be considered to be planted to cotton having a staple of 1 1/2 inches or more in length whether or not the cotton produced therefrom in 1938 reaches that length. These kinds of cotton can be readily identified by their botanical characteristics.

All other kinds of cotton will be considered to have a staple of less than $1\ 1/2$ inches in length unless it is provocby the producer that the staple of the cotton produced in 1938 is 1 1/2 inches or more in length. Such long-staple cotton, that is, pure strains of Sea Island and American-Egyptian cotton and cotton with respect to which it is proved by the producer that the staple of the cotton produced in 1938 is 1 1/2 inches or more in length, will, for the purposes of said program, be treated as a general soil-depleting crop.

Very truly yours,

I. W. Duggan,
Director, Southern Division.



UNITED STATES DEPARTMENT OF AGRICULTURE AGRICULTURAL ADJUSTMENT ADMINISTRATION Washington, D. C.

May 16, 1938

To Administrative Officers Southern Region

In order to have uniform administration in all States in the Southern Region with respect to the provisions contained in Section VIII, subsection B, and Section XII, subsection C, Southern Region Bulletin 201, relative to multiple farms, the following procedure and interpretation are given:

To properly administer the provisions of Section XII, subsection C, the county committee may request any producer making application for payment to file with it at the time application for payment is made, a statement showing the names of the other counties in the State in which such producer owns farms or has an interest in the crops or share in the proceeds therefrom, which such producer does not expect to cover by an application for payment under the 1938 Agricultural Conservation Program. A list of such producers showing the names of the other counties in the State in which they have an interest in farms which will not be covered by application, should be filed with the State committee by the county committee, together with its statement as to whether it has reason to believe that practices are being carried out on such other farms in other counties that tend to substantially offset the contribution to the program made on farms covered by application for payment. The State committee should direct the county committee in the county or counties in which such other farms are located to investigate and report to the State committee the acreages of soildepleting crops on such farms, if a county committee has recommended such investigation of the case in question. If the State committee finds that the crops grown and practices adopted on such farms substantially offset the contribution to the program made on farms in other counties in the State, applicable deductions will be made pursuant to the provisions contained in Section VIII, subsection B, Southern Region Bulletin 201.

A producer will be deemed to have substantially offset performance on farms in other counties if it is found that the net payments under the 1938 Agricultural Conservation Program computed for him with respect to all farms in a county are exceeded by the net deductions for non-performance under the 1938 Agricultural Conservation Program computed for him with respect to all farms in the county.

Very truly yours,

J.W. Dugg

I. W. Duggan, \(\square\)
Director, Southern Division.





UNITED STATES DEPARTMENT OF AGRICULTURE AGRICULTURAL ADJUSTMENT ADMINISTRATION Washington, D. C.

May 23, 1938

To Administrative Officers Southern Region

The rate of deduction for triple superphosphate furnished producers as grants of aid under the 1938 Agricultural Conservation Program has been set at \$1.60 per one hundred pounds of material furnished. The material will contain a minimum of 45 percent available phosphoric acid (P205). Handling charges and freight will be paid by the producers upon delivery of the triple superphosphate. The handling charges will include the expense of delivering the material to producers, but will not include any part of the conservation association office expense.

No plans have been made for furnishing any other materials as grants of aid; however, consideration will be given to any recommendations State committees may care to make in this matter.

Very truly yours,

I. W. Duggan,

Director, Southern Division.



UNITED STATES DEPARTMENT OF AGRICULTURE AGRICULTURAL ADJUSTMENT ADMINISTRATION Washington, D. C.

May 21, 1938

To Administrative Officers Southern Region

Inquiries have been received by this office relative to whether the application of limestone to a soil-depleting crop will qualify for payment as a soil-building practice under the 1938 Agricultural Conservation Program.

Under practice number A-8, as listed in the "Schedule of Soil-Building Practices", the application of 1,500 pounds of ground limestone or its equivalent shall count as one unit, subject to the specifications, if any, issued by the respective State committees with the approval of the regional director. The qualification in paragraph A, under this "Schedule of Soil-Building Practices", stating that no part of the materials applied to certain crops grown in connection with a soil-depleting crop shall be counted, applies only to the application of superphosphate and basic slag or rock phosphate under practices 1 and 2.

Very truly yours,

Director, Southern Division

